

**QUARTERLY REPORT TO THE JOINT LEGISLATIVE OVERSIGHT
COMMITTEE**

ON

**MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE
ABUSE SERVICES**

SESSION LAW 2001-437

January 1, 2005 to March 31, 2005

This quarterly report is submitted to the Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services (LOC), pursuant to the requirements of Session Law 2001-437. This report is for the months of January 1 through March 31, 2005 and provides information on major developments as the Division implements reform.

Section I: Major developments for this quarter include:

- ❑ A steering committee to oversee all aspects of construction and operation of the new state psychiatric hospital was created. The committee will be chaired by Director Mike Moseley.
- ❑ Rates and new services were approved by the Secretary's Rate Review Board.
- ❑ Two new informational groups-one comprised of state agencies and the other of statewide associations-were formed to facilitate greater understanding of the reform process and the status of activities related to reform.
- ❑ The LME Consolidation Plan required by HB382 was submitted to the General Assembly.
- ❑ Division staff provided 3 trainings for MH/DD/SAS providers and area authority/county program staff on the new/revised service definitions.
- ❑ Division staff provided orientation for consumers and families on the new/revised service definitions via video conference broadcast to 21 sites statewide.
- ❑ The Division recommended rule changes for Level II, III and PRTF Residential Group Home Providers.
- ❑ The Division received 150 responses to its Request for Information (RFI) from providers interested in providing community based services to persons currently residing in State CFAC/MR.
- ❑ Medicaid State Plan Amendment for Enhanced Services submitted to CMS on _____.
- ❑ Application for new CAP-MR/DD waiver submitted to CMS for approval on _____.
- ❑ Medicaid State Plan amendment for expansion of direct enrollment of outpatient therapists submitted to CMS on _____.
- ❑ Staff of DMHDDSAS and DFS began on-site reviews of all children residential treatment homes licensed under 10NCAC27____,1300.

Section II: Division Accomplishments

1. Communication Bulletins #032, #033, #034, and #035

- ❑ Communication Bulletin #032-announced service definition trainings by video conference at selected statewide sites for consumers and families.
- ❑ Communication Bulletin #033-announced the search for masters and doctoral level applicants to participate in “training of trainers” sessions for the new service definitions.
- ❑ Communication Bulletin #034-announced guidelines for Person Centered Planning. These guidelines address the underlying values and principles, the essential elements, the required documentation elements and indicators to demonstrate that person centered planning has occurred.
- ❑ Communication Bulletin #035-announced the release of *Policy Guidance: Development of Community Based Crisis Stabilization Services*, a document developed to clarify expectations about the provision of crisis services at the local level as required in the DHHS-LME performance agreement. The document also provides guidance regarding the development of community capacity and operations of an array of crisis services.

2. Systems Development-Trainings

- ❑ Division staff provided trainings for MH/DD/SAS providers and area authority/county program staff on the new/revised service definitions. During this quarter, one training session was held in Charlotte with 535 participants; two training sessions were held in Raleigh with 1,168 participants. In total, 1,703 participants have attended these face to face trainings.
- ❑ Division staff provided orientation for consumers and families on the new/revised service definitions via a video conference. During this quarter, one such conference was held at 21 sites across the state. In total, 189 consumers and family members attended the video conference. This was the first of several training initiatives designed to ensure that consumers and family members have an understanding of the new service definitions scheduled to take effect July 1, 2005. The use of videoconferencing as a medium was utilized to make it convenient for participants to attend as well as ask questions and make comments.
- ❑ The Division solicited applications from those interested in becoming an endorsed Division trainer. The Division sought to identify and engage a select group of masters and doctoral level expert trainers to be endorsed by the Division to offer provider trainings in the new/ revised service definitions.

3. Consolidation of Local Programs

Sandhills and Lee-Harnett have announced plans to merge effective July 1, 2005.

4. Services and Programs

Service Definitions:

The Division of Medical Assistance submitted the State Plan Amendment to the Centers for Medicare and Medicaid Services (CMS) March 2005.

Waivers:

Division staff completed a new comprehensive CAP/MR-DD waiver. The waiver application has been submitted to CMS with a proposed implementation date of July 1, 2005.

The Division, with assistance from the Division of Medical Assistance and various stakeholders including consumer, families and advocates, continue to work on an Independence Plus Home and Community Based Waiver to provide individuals with developmental disabilities the opportunity to self-direct services. Progress has been made toward determination of service definitions and an individual budgeting methodology. The self-direction movement is recognized as best practice in DD services. The implementation of this Waiver, targeted for January 1, 2006, will mark the first time that North Carolina has afforded individuals the opportunity for self-direction on a statewide basis.

5. Financing

Mental Health Trust Fund:

The Mental Health Trust Fund continues to be used to assist in reform and community expansion. As of March 31, 2004, \$ \$33,127,027 has been used for the following: bridge funding to Area Programs/Local Management Entities associated with hospital downsizing, hospital replacement planning, funding to Area Programs/Local Management Entities for Integrated Payments and Reporting System (IPRS) conversion and Local Business Plan development, Olmstead assessments, training regarding reform and consultant contracts.

6. Public Outreach to Discuss System Reform

During this quarter, Division staff hosted one town hall meeting to share information and to listen to concerns about system reform. This meeting was held in Greenville, North Carolina with 78 participants.

The Division hosted 3 mental health reform informational forums. Representatives from 25 state agencies and 8 state associations were invited to attend. The forums were held in Raleigh, North Carolina.

7. Rule Changes

The Division recommended rule changes for Level II, III, and PRTF Residential Group Home Providers. These rule changes would allow for increased staffing ratios, as well as set new requirements for residential management and emergency on-call staff.

8. Developing Community Capacity

The Division released a request for applications (RFA) for use of MH/DD/SAS Trust Funds. The RFA was for proposals specific to child/adolescent mental health services in order to build community capacity by increasing availability of intensive in-home respite and crisis services throughout the state.